



NEWS RELEASE

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SBA's HUBZone PROGRAM REGISTERS 1,000 SMALL BUSINESSES IN FIRST YEAR

WASHINGTON – The U.S. Small Business Administration's (SBA) HUBZone Empowerment Contracting Program marked its first full year of operation by certifying firm number one thousand, giving the program representation in every state and the District of Columbia, SBA Administrator Aida Alvarez announced today.

The number of registered small businesses is expected to increase substantially as the agency continues its nationwide outreach efforts. Many SBA district offices are holding special events over the next month in an effort to register even more participants from among the nearly 8,000 communities designated as HUBZone qualified. For example, SBA and the Greater Washington Board of Trade signed a partnership agreement today aimed at promoting business development using HUBZone contracting.

"For a year now, small businesses in distressed communities throughout the nation have been discovering the HUBZone program and its ability to open the door of opportunity to federal contracting," said Administrator Alvarez. **"We pass an important milestone with the certification of the one thousandth participant, a number we expect will only increase as we continue an intensive outreach campaign."**

"We look forward to expanding the HUBZone program's reach well beyond this level so it can help provide employment and enterprise to towns and counties throughout America – our New Market communities – that have yet to benefit from our growing economy."

The company qualifying as HUBZone small business one thousand is Pioneer Flooring & Design of Washington, D.C. The company, owned by Ms. Tosha Huff, installs and maintains a variety of floor covering materials.

SBA's Associate Deputy Administrator for Government Contracting and Minority Enterprise Development, James Ballentine, joined the Board of Trade's president, John Tydings, in signing the cooperative agreement. Together, they pledged "to develop new markets, expand employment opportunities, create business development, retention and investment" along the city's neighborhood commercial corridors. The HUBZone program is the key component of this agreement. The Board of Trade is an advocacy group that serves the Washington metropolitan area.

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Also attending the signing ceremony were District of Columbia Delegate Eleanor Holmes-Norton and Mayor Anthony Williams, as well as local business representatives.

A HUBZone is a “historically underutilized business zone” and the program provides contracting benefits to small businesses located in those areas. To stimulate interest in the program and encourage use by federal agencies, annual procurement goals are assigned to federal agencies. By fiscal year 2003, the HUBZone annual contracting goal will rise to its maximum level, which is 3 percent of overall prime contracting. That means that within the next few years, the HUBZone program could account for about \$6 billion a year in federal contracts.

Potential applicants can see if their company is located in a HUBZone by using a mapping system available on the SBA’s web site, at **<http://www.sba.gov/hubzone>**.

To apply, companies can use the electronic application on the HUBZone web site. Applicants can also submit a paper application to SBA headquarters in Washington, D.C. The paper version can either be downloaded from the web or picked up at any local SBA district office.

To participate in the program, a small business’ principal office must be located in a HUBZone. More than 7,000 urban census tracts and 900 mostly rural counties currently qualify as HUBZones. All federally-recognized Native American reservations also qualify.

In addition, 35 percent of a participating firm’s work force must reside within a HUBZone location. A qualified company also must be owned and operated by U.S. citizens. SBA is responsible for certifying that firms are eligible to participate and for reporting to Congress on the program’s success at increasing jobs and investment in HUBZones.

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*For more information on all of SBA’s programs for small businesses, call the SBA Answer Desk at 1 800 U ASK SBA, or visit the SBA’s extensive Web site at **www.sba.gov**.*

*Kids Count! The SBA supports Census 2000 and the Census in Schools Program. Help ensure that every child is counted. Check the Census Bureau's Internet site at **www.census.gov**.*